Real Estate Asset Management (STREAM)

LEASING PROPOSAL REQUEST

Agency, Office Name	Department of Human Services		
Principal Use			
Office/Warehouse/Other	Office		
Employee Headcount at			
Premises	31 staff		
Transaction Number	TR# 19-03-934		

	Desired	Alternates Accepted
Service Area and Boundary Requirements	 Within Bradley County, TN. Centrally located within the city limits near government agencies, schools, courts, and public transportation, if available in the area. 	NO
	- Preference may be given to locations not located within 1,000 feet of Department of Correction or Probation facility.	
	 As this office provides services to the public, the preferred location should be obvious from a public road, provide ease of access, and identifiable exterior signage. 	
	- Preference will be given to locations served by municipal water and sewer systems, if available in the area.	
	- Preference will also be given to locations that provide natural light (i.e. windows) into the Premises.	
Parking Requirements	31 Staff + 28 Client = Total required parking spaces 59	
	Parking spaces should be paved, striped, well-lit, and comply with applicable codes.	

Usable & Rentable	7,200 -7,900 USF / 7,900 -8,600 RSF
Contiguous Square Footage	- Usable square footage does not include restrooms, mechanical rooms, janitor closets, telecom closets or vestibules.
	- Proposed space should not exceed or be less than 5% of the estimated rentable square footage (RSF) range specified above.
	- The State intends "contiguous" to mean space that is adjacent including floors below or above. The actual square footage will be determined by programming and space planning.
Special Buildout and Other Specifications	- Landlord to provide a turnkey buildout in accordance with Schedules 1, 2, 3, and Exhibit D of the Pro Forma Lease agreement attached below.
	- Adherence to zone separation is necessary.
	- All State leased offices are required to obtain State Fire Marshall Office approval or waiver
	- Building must include 24-hour access, appropriate HVAC, and other applicable building systems as appropriate for business operation.
	- Separate restrooms for clients and staff. Staff and client's restrooms must be separate and cannot share the same plumbing wall
	- Separate entrances for clients and staff
	- Landlord will be responsible for paying a leasing commission to Knox Office Realty, LLC. A copy of the Commission Agreement is attached hereto. It must be signed and returned along with your lease proposal
Term Length	The term recommendation is 10 years but may be comprised of a seven year base term with 3 one-year renewal options up to 10 years, as negotiation permits.
Commencement Date	Within 18 months of the executed lease agreement.
Termination Options	Termination for Convenience: 90 days per Block 6 of the Lease Termination for Cause: see Lease – Exhibit A, Paragraph 5.
Terms and Conditions	As set forth in the Pro Forma Lease. A copy of the Pro Forma Lease form can be found by visiting www.tnrfp.com . Please read it carefully.
	Comments to the Lease Template are required at the same time you submit your Lease Proposal Quotation Form.

Rent, Utilities, Services and Other Costs	Rent should be quoted as either FULL SERVICE with no pass throughs or on a MODIFIED GROSS basis with Tenant responsible for payment of utilities sand janitorial only.	
	A breakdown of the estimated construction budget for the Tenant Improvement costs will be required.	

Communications:

Interested parties must direct all communications regarding this procurement to Cristina Johnstone, Leasing Coordinator, who is the State's official point of contact. Email is the preferred form of communication.

Name: Cristina Johnstone, Leasing Coordinator

Phone Number: (615) 939-3108 Email: Rfp.coordinator@tn.gov

Submittal Deadline and Format:

The completed "Lease Proposal Form" must be submitted as follows no later than 2:00 pm (CST) on October 15, 2020.

Submittals must be received via either email or U.S. Postal Service:

- If emailed, the proposal should be sent to:
 <u>RFP.Coordinator@tn.gov</u> (It is recommended that any email submission be sent "returned receipt requested" and confirm email is received)
- If mailed, the printed proposal should be addressed:

Department of General Services/STREAM

Attn: Steve Lusk Assistant Director Compliance

Tennessee Tower 312 Rosa L. Parks Avenue, 24th Floor

Nashville, TN 37243 Phone: (615) 741-7865

Method of Evaluation:

Please refer to the State of Tennessee Real Estate Asset Management Division website for the complete document, which describes the proposal evaluation method, by using the following link: www.tnrfp.com

Disclaimer of Subjectivity:

Proposers should understand and accept that by responding to this solicitation they are willingly participating in a process that may consist of some degree of subjectivity. Proposers should be aware that the proposal determined to best meet the needs of the State may not necessarily be the lowest cost proposal.

The space must be professional office use and capable of meeting all of the requirements of the agency, including geographic location, square footage, parking and any special requirements identified in the Schedules attached hereto.

Landlord shall furnish and install window blinds for all outside windows.

Attachments:

Schedule 1: DHS Preliminary Zone Placement Summary Sheet

Schedule 2: DHS: Concept Study (example floor plan)

Schedule 3: Pass Through Window

Schedule 4: Exhibit D from Lease Agreement – Special Buildout & Other Specifications

Schedule 5: Commission Agreement

SCHEDULE 1

DHS PRELIMINARY ZONE PLACEMENT SUMMARY SHEET

(Subject to revision in final plan approved by State design team)

DHS Bradley County - Summary Sheet

Staff Counts - Total Staff: 31

Eligibility Counselor 2	15
Field Supervisor 1	2
Admin Secretary	1
FMD1	1
Eligibility Assistant	5
FMD1 (CC)	1
Secretary (CC)	1
Eligibility Clerk	1
CCPE	2
APS Counselor	1
Program Coordinator	1

Zone One (Public Zone) – refer to sample plan for zone locations Hard Wall Spaces

- Waiting Room	1 @ 600 sf	Seating for 30 chairs. The 600sf includes 50sf for
		public printer access, 50sf for public computer
		access and 6 Staff/Client window bays at 60 sf each
- Small Conference Room	1 @ 295 sf	Seating for 18 people. Seating does not have to be
		around tables

- Accessible Public Restrooms equipped with Diaper Changing Stations, preferably wall mounted with adequate wall bracing to support the weight. Number of water closets determined by plumbing code. Plumbing wall will not be shared between Client and Staff restrooms.

Secure access to other zones from here.

Zone Two (Intermediate/ Staff Zone) – refer to sample plan for zone locations Hard Wall Spaces

 Assigned office 	2 @ 120 sf	FMD (2)
- Free address office	1 @ 120 sf	
- Enclaves	3 @ 120 sf ead	ch
- Medium Conference Room	1 @ 475 sf	with seating for 30 people, do not have to be around table
- Break Room	1 @ 240 sf	sized for 8 staff (see lease agreement for additional requirements)
- File Storage Room	1 @ 320 sf	
- Supply Storage Room	1 @ 200 sf	
- Telecom Room	1 @ 80 sf	Telecom Room must be secure, and temperature controlled

- Accessible Staff Restrooms - Men and Women's restrooms for Staff. Number of water closets determined by plumbing code. Staff restrooms cannot share the same plumbing wall with public restrooms

Open Office (systems furniture)

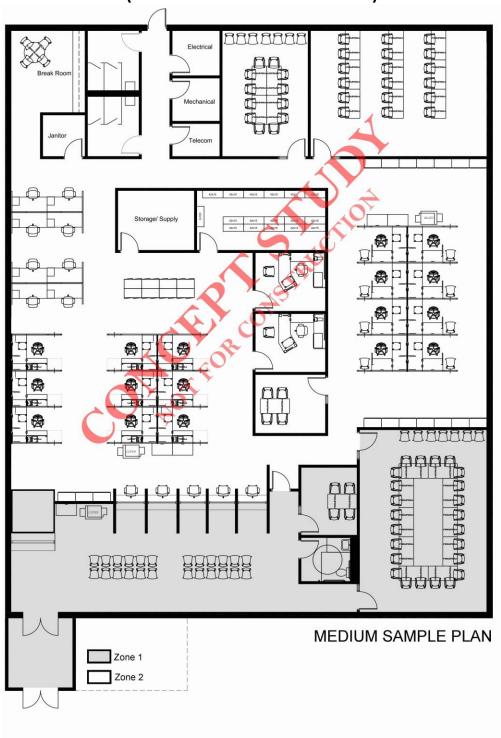
- Assigned Workstation	1 @ 49sf	for Secretary (CC)
- Assigned Workstation to see clients	3 @ 49sf each	2 for Eligibility Counselor 2 and 1 for
		Program Coordinator
 Quiet Free Address Workstations 	6 @ 49 sf	to see clients
- Free Address Hoteling Workstations	4 @ 30 sf each	
- Collaborative Open Area	1 @ 85sf	enclave table w/ 4 chairs. Needs power & data
- Locker Units	1 @ 64 sf	4 locker units. Each unit contains 6 lockers
- Supplemental Space	1 @ 152 sf	Space for 19 lateral file cabinets in wide hallways
		close to Staff that use them
- Mail Area	1 @ 36 sf	
- Print Area	9 @ 50 sf each	
- Recycle Bin	2 @ 6 sf each	
- Shredder Bin	2 @ 6 sf each	

Workstation Legend			
25sf Quiet Or Collaborative*	Pin Wheels, 24"x 60" Hoteling		
30sf Quiet Or Collaborative*	30"x 72" Hoteling		
49sf Quiet Or Assigned	Full Size Stations, Glass Front cubicle		
Collaborative Open Area	Enclave table with 4 chairs, Tablet arm lounge chairs, Worksurface on top of storage with 4 stools		

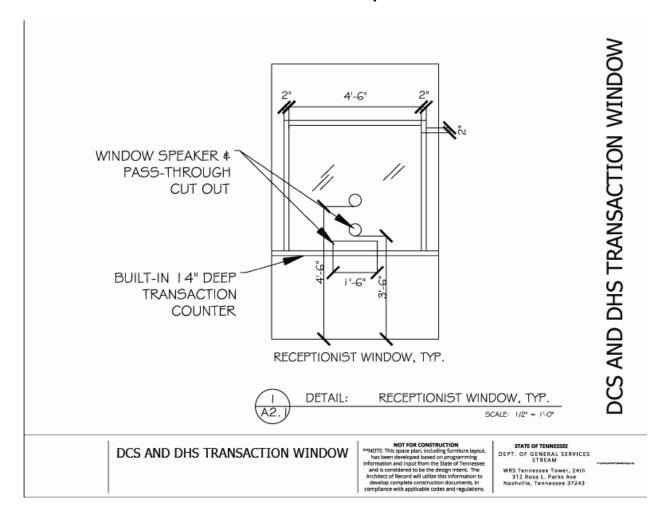
^{*}Quiet or Collaborative function determined by panel height

DHS – SCHEDULE 2 SAMPLE PLAN

(floor plan showing typical rooms within each zone) (not to be used for construction)



DHS – SCHEDULE 3 Transaction Window Specifications



SCHEDULE 4 EXHIBIT D TO LEASE AGREEMENT SPECIAL BUILDOUT AND OTHER SPECIFICATIONS

GENERAL SPECIFICATIONS

1. General

- a. The Leased Premises, including all common areas and points of ingress and egress, shall be designed and maintained to meet all applicable code requirements for commercial office building construction, including the requirements of the Americans with Disabilities Act.
- b. The Leased Premises shall have a current occupancy permit issued by the local jurisdiction at the time of Tenant's occupancy.

2. Site

a. The site shall be fully graded, landscaped and maintained in a manner commensurate with market for comparable properties of the same property type and class as the Leased Premises.

3. Structure

- a. Space above ceilings must allow sufficient clearance for ease of installation of Tenant's mechanical and electrical equipment, including but not limited to distribution ductwork, HVAC boxes, lighting and conduit.
- b. The building foundation and below-grade spaces shall be protected with a properly installed foundation drainage and waterproofing system.

4. Building Skin and Roof

a. The building skin and roof will be complete and weather-tight including all exterior finish materials, cladding, sealants, glass and glazing including vision and spandrel glass, store front glass, exterior doors and hardware, membrane or built-up roofing, ballast, flashing, and other elements required to make the building weather-tight.

5. Building Common Areas

- a. The building entrance lobby, common corridors, restrooms, mechanical spaces, loading dock, trash removal spaces, and other common areas will be substantially complete.
- b. Restrooms shall be complete with all fixtures, partitions, accessories, lavatories, lavatory tops, and mirrors. Fixtures, partitions, and accessories shall be institution grade or better, and shall be water saving type, as appropriate. The finishes in restrooms shall be commensurate with market for comparable properties of the same property type and class as the Leased Premises.

6. Common Walls

- a. Common walls shall include slab-to-slab gypsum wallboard on the public side of all demising walls, corridors, stairwells, and other walls not interior to the Tenant space. All common walls shall be taped, blocked, finished and sanded. Landlord will install sound attenuation insulation on Tenant side of Common Walls and demising walls prior to Tenant finishes being installed.
- b. Common walls shall include entry and exit doors from common areas furnished and installed by Landlord. Doors and hardware shall be building standard or better.

7. Electrical

- a. Landlord shall provide a minimum of 7 watts per square foot for lighting and power.
- b. Landlord shall install all main switchboards, panel boards, distribution boards, transformer, bus duct, feeders and other equipment to completely distribute power to electrical closets on each floor in the Leased Premises. Landlord shall locate an electrical service panel in the electrical closet in the Common Area on the same floor as the Leased Premises. Installation of electrical service up to and including the Tenant's service panel(s) shall be a base building cost.
- c. Landlord shall install all wiring, branch circuiting, conduit and devices for the complete electrical system to all public and common areas. Landlord shall provide at Landlord's expense all power

wiring and connection for all mechanical equipment furnished as part of base building. Landlord shall provide at Landlord's expense all power wiring to life safety and fire protection systems.

8. Communications

a. Landlord shall bring data/telephone service, as provided by the local data/telephone operating company, to the building Main Telephone Room.

9. Lighting

- a. Landlord shall furnish and install lights in all common areas.
- b. Building lighting levels must meet a minimum of 30 foot-candles at the desk and 20 foot-candles in corridors providing ingress and egress to the Leased Premises. Base building shall include a lighting level of at least 10 foot-candles or minimum levels to insure safety in other interior areas as set by the current version of the Illuminating Engineering Society of North America (IESNA).

10. Plumbing

a. Plumbing tie-ins shall be provided for State's use for break room or other functions required by the Permitted Use.

11. HVAC

- a. Building common areas shall include heating, ventilation, and air conditioning systems in accordance compliance with current ASHRAE standards.
- b. All HVAC for the Leased Premises shall be installed with complete distribution to ceiling mounted diffusers and perimeter slot diffusers for exterior zones and distribution to VAV boxes for interior zones.

12. Building Directory

- a. If the Building has multiple tenants, Landlord shall provide a directory in the lobby of the Building.
- b. Landlord shall add Tenant's name to directory, and shall provide Tenant suite signage (suite entry door plaque or hall plaque, matching building graphics standards).

13. Keys

a. Landlord shall supply Tenant with five (5) sets of keys at no cost. Additional keys shall be provided at Tenant's request at a reasonable cost. Keys should allow access to the Leased Premises, parking areas and other common areas of the Property.

14. Access Control

- a. Landlord shall provide new locks on all exterior doors and doors into common areas.
- b. Tenant may install card access to the Leased Premises at suite entry locations, fire stairs with access into the Leased Premises and interior doors within the Leased Premises compatible with the base building security system.
- c. Provide heavy-duty cylindrical hardware within suite and heavy duty mortised lockset at suite entry doors.
- d. Provide locksets on the following doors: offices, enclaves, communication rooms, utility rooms, storage/file rooms, network rooms.

INTERIOR BUILDOUT SPECIFICATIONS

1. Ceiling

- a. Existing ceiling tile and grid shall remain if these materials meet the Minimum Qualification Specification (Section e below) and are in good and attractive condition. Patch and repair grid as needed to accommodate demolition of walls. Replace any damaged or discolored tiles to match existing.
- b. Existing lighting shall be cleaned and re-lamped after construction. All lamps shall be the same color temperature. Coordinate the appropriate lamp color with the State.
- c. Provide 15'-20' whip at all above-ceiling junction boxes for power pole connections.

- d. Minimum ceiling heights shall be a minimum of 8 feet and be proportionate to the open area floor plate size.
- e. Acoustical Panel Ceiling Minimum Qualification Specifications:
- f. General Ceiling
 - i. Acoustical Panel Standard: Comply with ASTM E 1264.
 - ii. Metal Suspension System Standard: Comply with ASTM C 635.
 - iii. Attachment Devices: Size for five times the design load indicated in ASTM C 635, Table 1, "Direct Hung," Comply with seismic design requirements.
- g. Acoustical Panels
 - i. Color: White.
 - ii. LR: Minimum of 0.83.
 - iii. NRC: Minimum of 0.60, Type E-400 mounting according to ASTM E 795.
 - iv. CAC: Minimum of 33.
 - v. Modular Size: 24 by 24 inches (610 by 610 mm) or 24 by 48 inches (610 by 1220 mm).

2. Electrical and Communication

- a. Provide and install conduit, conductors, pull wires, boxes, cover plates, devices, etc., for all outlets as required by the Build Out Plans. All devices shall be a consistent color.
- b. Contractor shall be responsible for all coordination and final electrical connections for furniture (systems furniture, conference/training tables, etc.). Coordinate with State for specifics on wiring configurations. For general planning purposes, provide 1 circuit per every 2 standard workstations as required by the Build Out Plans.
- c. Provide 1 voice/data per standard workstation as required by the Build Out Plans.
- d. Provide 2 duplex power outlets and 1 voice/data per standard office as required by the Build Out Plans.
- e. Provide 2 duplex power outlets and 1 voice/data per enclave as required by the Build Out Plans.
- f. At minimum, all enclosed rooms (such as storage and file rooms) to have (2) convenience duplex power outlets as required by the Build Out Plans.
- g. Lighting and controls shall be properly zoned. Separate light switches for hardwall spaces shall be provided as required by the Build Out Plans.

3. Partitions

- a. All existing perimeter sill walls and core walls throughout space shall be freshly painted in an eggshell or satin paint finish.
- b. All new partitions to be 5/8" drywall and 3 5/8" metal studs with sound attenuation blankets inside the partition. Additional sound blankets to be provided above partitions on ceiling tile, 2'-0" on either side of all new or existing partitions not extending to the deck.
- c. Partitions around all new conference rooms, training rooms, break rooms, meeting rooms, and restrooms, shall extend to the deck. Sound attenuation blankets shall be provided inside the partition, seal all penetrations within partitions including power/data boxes and at the connection of the partition to the deck.
- d. Connections from partition to mullion will require an acoustically sealed connection.
- e. Finish partitions completely to floor.

4. Glazing

a. All office, enclave, break room, and conference room front walls shall have a 3'-0" wide side-lite with ¼" clear tempered glass in 2" welded hollow metal frame with a solid core door (match building standard), and etched film on 3'-0" w full height sidelights. Framing for glass sidelights and windows shall be integral with doorframes and not separated by drywall.

5. Doors and Frames

- a. Interior doors shall match building standard height and finish; at a minimum, all doors shall be solid core, 7'-0" in height.
- b. Interior doorframes shall be 2" welded hollow metal steel, painted.
- c. All hardware shall match existing building standard finish. At a minimum, all hardware shall be lever handle. All doors shall include the following: doorstops, silencers, lever hardware, mortised ball bearing hinges. All office doors shall include a coat hook. In addition, pairs of doors shall include the following as determined by function: dummy trim, closer coordinators, flush bolts, dust proof strikes, ball catch (as required).
- d. All main entrance public access doors shall be metal frame glass storefront entrance type with double-pane glass. Exterior exit doors shall be metal framed with insulated flush type metal door. All exterior doors must be equipped with commercial grade closers and hardware.

6. Finishes

- a. Doors, frames, hardware, ceiling tile and grid and lights shall be reused if approved by the State.
- b. Carpet shall be modular tiles laid with low VOC adhesives. Carpet shall generally be laid in a monolithic, ashlar or brick laid pattern. Carpet shall not be laid in a quarter turn pattern unless noted specifically.
- c. Carpet must meet the following minimum qualification specifications:
 - i. Products: All manufacturers to provide modular tile products as specified below and in addition to meeting the minimum requirements.
 - ii. Commercial Face Fibers: High performance premium branded Nylon required to be third party certified post-consumer recyclable and defined as a commercial grade nylon fiber from a carpet or fiber manufacturer nationally recognized by the flooring industry; the nylon fiber shall have a documented five (5) year minimum successful testing period; Note: OLEFIN FIBER IS NOT ACCEPTABLE.
 - iii. Pile Characteristic: Level-loop, Cut-and-loop pile, Shear-and-loop pile.
 - iv. Density: Minimum rating of 5,000 or higher.
 - v. Stitches: Minimum of 9 stitches per inch.
 - vi. Gage: 1/12 inch minimum.
 - vii. Surface Pile Weight: Minimum 20 oz. per square yard.
 - viii. Dye System: Minimum of 50% solution dyed or yarn dyed (Type 6, Type 6,6 or proven equal).
 - ix. Backing System: Provide applicable backing system based on carpet type/brand selected.
 - x. Size: 24 by 24 inches (610 by 610 mm) or larger.
 - xi. Applied Soil-Resistance Treatment: Duratech, Protech, or equal (specify with proposal).
 - xii. Antimicrobial Treatment: Manufacturer's standard material according to AATCC174.
- d. Provide 4" coved rubber base in areas specified to receive new flooring. All base shall be continuous roll base (not 4' segments).
- e. All walls to have one prime coat and 2 finish coats of eggshell or satin finish. Door and window frames shall have semi-gloss finish. Drywall ceilings shall have flat finish.
- f. Where identified as laminate finish on casework, use color core laminates for exposed surfaces for doors, drawers, counter tops and splashes. The underside of all vertical laminate panels in wet areas shall receive a laminate or pvc edge to prevent water from wicking up through laminate panel substrates. Counters and splashes shall be thoroughly caulked to walls and countertops using clear silicone caulk.

7. Break Rooms

- a. Finishes: VCT floor tile in a floor pattern using 3 different colors, plastic laminate base and wall cabinets.
- b. Provide double bowl, under mount stainless steel sink with hot/cold water.

c. Provide dedicated outlets for refrigerators, microwaves, and (2) coffee makers. Provide (3) standard wall duplex outlets at 42" AFF in kitchen area. Provide (2) additional wall outlets at other walls for convenience purposes.

8. Copy Rooms / Areas

- a. Finishes: VCT flooring, plastic laminate base and wall cabinets, plastic laminate countertop. Cabinetry shall be sufficient to meet the needs of the Tenant at its sole discretion.
- b. Provide (2) wall duplex outlets (one circuit) and (2) voice/data outlets at 42" AFF in work area.

9. Telecom Rooms

- a. Finishes: VCT flooring, 4" rubber base.
- b. Walls shall extend to deck; no lay-in ceiling.
- c. A minimum of a half-ton (5,000 BTU's) of cooling for coverage of equipment is required. Standalone mechanical unit is preferred. If stand-alone is not possible, then the space should be removed from the EMS and have VAV-type controls.
- d. Provide at least a 3" conduit from the interior telecom room or non-common space to an exterior right of way or utility easement for new service provider connection. Coordinate with service provider.
- e. Each telecom room should be a minimum of 8' x 10' in size, with one room per 15,000 square feet of usable space. Telecom rooms shall align vertically if in a multiple-floor facility.
- f. Doors to telecom rooms shall open out into the corridor, if possible. If this is not possible, then locate the door in an area with minimal clearance impact.
- g. Provide at least (2) dedicated quad outlets, 110 volt, 20 amp circuits, in addition to the normal service outlets.
- h. The State cabling contractor, at State's expense, shall install a grounding bus bar and place correctly-sized conductor back to the main panel for facility personnel to connect.
- i. Telecom rooms do not include space for building/energy automation/management, life safety controls, or security, audio, or CC/CATV systems.

10. Conference Rooms

- a. All conference rooms that seat (8) people or more shall have (2) power and voice/data outlets. Larger Conference rooms of greater than (18) people shall have (4) power and (2) voice/data outlets.
- b. Lighting switching shall provide flexibility for a variety of scene configurations for different presentations and meetings. Fixtures shall provide both ambient lighting to the table as well as accent wall wash lighting at the perimeter of the room.
- c. Coordinate placement of switches, AV screens, furniture, & doors so as to avoid conflicts when components are in use.

11. Restrooms

- a. All restrooms shall be equipped with liquid soap dispensers and mirrors, and either paper towel dispensers or hand blow dryers.
- b. Provide a floor drain in each restroom.

12. Janitor Closet

- a. Finishes: VCT flooring, 4" rubber base.
- b. Provide storage for equipment, materials, and supplies, in a minimum 25 sf room.
- c. Provide service sink with hot and cold water and a floor drain.

13. Building Interior

- a. Provide (accessible) chilled drinking fountains as per code requirements. If it is deemed necessary to replace existing or incorporate additional drinking fountains, equipment shall be able to accommodate a water bottle refill component.
- b. Provide evacuation maps and other interior signage as required and requested by the State. Coordinate locations with the State.

14. Building Exterior

- a. Provide exterior canopies at all building entrances and exits, as well as a vestibule/airlock at all public entrances.
- b. Provide exterior signage and dumpster access.
- c. Hard-surface exterior walkways shall be provided to connect all Building entrances and exits to on-site parking lots or other hard-surfaced areas.

SCHEDULE 5

COMMISSION AGREEMENT REPRESENTATION OF THE STATE OF TENNESSEE AND ITS RESPECTIVE AGENCIES FOR LEASING TRANSACTIONS

I'h	is Commissic	on Agreement	t ("Agreement") is entered in	ito as of this_	day	of	<u>,</u>
201	18, by and be	tween					("Owner	·"), and
Kn	ox Office Re	ealty, LLC ("	Tenant's Broke	er").				
Γh	e following p	provisions are	true and corre	ect and are the	e basis for thi	is Agreem	ent:	
Α.	Owner	has	legal	title	to	a	property	located
			· ·				property	100000
					in		County, Tennessee	on which
	building is c	commonly kn	own as		m		•	(the
	"Building"),	, and which	is further des	cribed as, or	r a portion of	of, Proper	ty Appraisers Pare	cel Number
	<u>.</u>							

- B. The "Tenant" is the State of Tennessee and Tenant's Broker represents the office space needs of Tenant and has or will render services in connection with the leasing of space to the Tenant.
- C. Should a Lease (herein so called) be consummated, Owner has agreed to pay Tenant's Broker a Lease Commission in consideration for services rendered and to be rendered in consummating a Lease pursuant to the terms and conditions set forth herein.
- D. Owner understands and agrees that Tenant's Broker is serving solely as a representative of Tenants' interest. Likewise, Owner acknowledges that the applicable fee structure(s) defined below, as mutually agreed between Owner and Tenant's Broker will be (has been) considered and included within the Owner's proposal for lease.

NOW THEREFORE, in consideration of the mutual promises set forth herein and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

- 1. **AGREEMENT TO PAY COMMISSION:** Owner hereby agrees to pay a Lease Commission to Tenant's Broker as follows:
 - a. For new leases at a new location, Owner shall pay Tenant's Broker a Lease Commission equal to 3.25% of the total of all rental installments as shown in block 7 of the Lease for the term of the lease, up to a lease term of ten (10) years.
 - b. For new leases at a new location whose lease term exceeds ten (10) years in length, the Lease Commission shall be 3.25% of the total of all rental installments as shown in block 7 of the Lease for the first ten (10) years of the lease term <u>plus</u> 1.63% of the total of all rental installments as shown in block 7 of the Lease for the remainder of the lease term beyond ten (10) years.
 - c. For new leases at the same location as the previous lease location, Owner shall pay Tenant's Broker a Lease Commission equal to 1.63% of the total of all monthly rental installments as shown in block 7 of the Lease for the total term of the lease as described in block 5 of the Lease.
 - d. If a new lease includes an option to renew or extend and the lease term(s) is renewed or extended whether by virtue of such option or otherwise, Owner shall pay Tenant's Broker a Lease Commission equal to 1.63% of the total of all monthly rental installments for the extended term.
- 2. **PAYMENT OF COMMISSION:** The Lease Commission shall be fully earned at the time the Lease Agreement is signed by both parties. The Lease Commission shall be due and payable to Tenant's Broker in U.S. Dollars: (i) one half (1/2) at the time the lease is signed and (ii) the remaining balance upon the earlier of (a) the first day that Tenant occupies all or any portion of the space covered by the Lease, or (b) the Occupancy Date specified in Paragraph 19 of the Exhibit A of the Lease. If the Lease is modified or amended, the Lease Commission in

relation to such modification will be due and payable in full at the time the modification is executed by Owner and Tenant. Owner hereby agrees to pay to Tenant's Broker said Lease Commissions in accordance with the terms contained in Item 1 above.

- 3. **SUCCESSORS AND ASSIGNS:** The obligation to pay and the right to receive any of the Lease Commissions described above shall inure to the benefit and obligation of the respective heirs, successors and/or assigns of Owner or Tenant's Broker. In the event of a sale or an assignment of the Property which includes Tenant's demised premises, Owner agrees to secure from the purchaser or assignee a written recordable agreement under which the new owner or assignee assumes payment to Tenant's Broker of all Lease Commissions payable hereunder.
- 4. **REPRESENTATION OF TENANT:** Although Owner will pay the commission to Tenant's Broker, Tenant's Broker <u>will not</u> be representing Owner in the contemplated lease transaction. Tenant's Broker will be representing <u>only the Tenant</u> in such transaction. The Owner acknowledges and agrees that it is responsible for any commissions due any other broker with respect to this transaction
- 5. **AUTHORITY TO SIGN:** Each signatory to this Commission Agreement personally represents and warrants that it has full authority to sign this Commission Agreement on behalf of the party for whom he or she signs, that this Commission Agreement binds such party, this Commission Agreement constitutes a valid and legally binding obligation of the parties, and that no other signatures are necessary. This Agreement may be executed by portable document format (.pdf) signature, such that execution of this Agreement by .pdf signature shall be deemed effective for all purposes as though this Agreement was executed as a "blue ink" original.
- 6. **ENTIRE AGREEMENT:** This Commission Agreement constitutes the entire Agreement between Owner and Tenant's Broker and supersedes all prior discussions, negotiations, and agreements, whether oral or written. No amendment, alteration, cancellation or withdrawal of this Agreement shall be valid or binding unless made in writing and signed by both Owner and Tenant's Broker. This Agreement shall be binding upon, and shall benefit, the heirs, successors and assignees of the parties.
- 7. **FAILURE TO PAY:** Should the Owner fail to pay the Lease Commission as contracted here in, the Tenant's Broker shall send the Owner appropriate notification and issue a cure letter to the Owner demanding payment. In the event Owner fails to pay Tenant's Broker the leasing commission owed within thirty (30) days when due, then from the date due until paid the delinquent amount shall bear interest at twelve (12%) percent annually. If Tenant's Broker must institute legal action against Owner to collect said Lease Commission owed, then Tenant's Broker shall be entitled to reasonable attorney fees and court costs.
- 8. **NOTICES:** Any notice or demand, consent, approval or disapproval, or statement (collectively called "notice" or "notices") required or permitted to be given by the terms and provisions of this Agreement shall be in writing, and shall be sent by United States mail postage prepaid as registered or certified mail, return receipt requested, or by nationally recognized courier service guaranteeing overnight delivery and providing a confirmed receipt of delivery. Any notice shall be addressed to Owner or Tenant's Broker, as applicable, at its address as follows:

To Tenant's Broker:	Knox Office Realty, LLC Attn: William G. Bullock, Jr 9111 Cross Park Drive, Suite E-124
	Knoxville, Tennessee 37923
To Owner:	

AGREED AND ACCEPTED this	day of	, 2020.	
OWNER:		NANT'S BROKER: x Office Realty, LLC	
Ву:	By:		
Title·	Title		